

An administrative and/or financial system is one where the primary purpose is to provide one or more of the business functions listed in the table below. Systems that merely store information or provide business intelligence based on exports from administrative and/or financial systems do not qualify as administrative and/or financial systems. Additionally, systems that possess any of the functional capabilities listed below in a manner that supports a primary function that is not listed may not meet the criteria for an administrative or financial system. Examples include, but are not limited to, systems that administer state business taxes, enterprise pension administration systems, unemployment benefits, and certain forms of licensing. Agencies may request a consultation with the OCIO to determine if specific systems and/or business functions meet the criteria for an administrative and/or financial system.

### Administrative and Financial Business Functions

Business Capability	Business Function	Definition	Qualifying IT Solution Functions/Capabilities	Source
Finance	Government Accounting	The composite activity of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of a governmental entity	Any IT solution that will capture track, maintain, or monitor and otherwise support any of the capabilities included in the definition	SAAM Manual
Finance	General Ledger	A ledger containing the accounts in which are recorded, in detail or in summary, all transactions of the state	Any IT solution that captures, tracks, maintains or otherwise performs general ledger functions or acts as a general ledger system	SAAM Manual
Finance	Capital Asset Management / Fixed Asset Management	The Management of tangible or intangible assets held and used in state operations, which have a service life of more than one year and meet the state's capitalization policy. Capital assets of the state include land, infrastructure, and improvements to land, buildings, leasehold improvements, vehicles, furnishings, equipment, collections, and all other tangible and intangible assets that are used in state operations	Any IT solution used to capture, track, manage, monitor and/or maintain government assets such as the ones listed in the definition	SAAM Manual
Finance	Accounts Payable	Amounts owed to private persons or organizations for goods and/or services received by the state. Accounts Payable does not include amounts due to other agencies, funds, or other governments	Any IT solution that captures, tracks, monitors, maintains or processes payments made to other entities including other state agencies. This includes but is not limited to invoices, credit card, check and/or direct deposit transactions	SAAM Manual

<b>Finance</b>	Accounts Receivable	Amounts due from private persons or organizations for goods, and/or services furnished by the state. Accounts Receivable does not include amounts due from other agencies, funds, or other governments	Any IT solution that captures, tracks, monitors, maintains or processes payments owed and/or received from other entities including other state agencies. This includes but is not limited to invoices, credit card, debit card, check and/or direct deposit transactions	SAAM Manual
<b>Finance</b>	Cash Flows	The cash receipts and cash payments of a government during a period. It categorizes cash activity as resulting from operating, noncapital financing, capital financing and investing activities	Any IT solution that captures, tracks, monitors, and/or processes cash flow transactions or otherwise supports any of the capabilities identified in the definition	SAAM Manual
<b>Finance</b>	General Ledger Reconciliation	The process of correlating one set of records with another set of records and/or a physical inventory count that involves identifying, explaining, and correcting differences	Any IT solution that performs and/or supports the capabilities listed in the definition	SAAM Manual
<b>Management Accounting</b>		The process of preparing management reports and accounts that provide accurate and timely financial and statistical information required by managers to make day-to-day and short-term decisions. Unlike financial accounting, which produces annual reports mainly for external stakeholders, management accounting generates monthly or weekly reports for an organization's internal audiences such as department managers and the chief executive officer. These reports typically show the amount of available cash, sales revenue generated, amount of orders in hand, state of accounts payable and accounts receivable, outstanding debts, raw material and inventory, and may also include trend charts, variance analysis, and other statistics	Any IT solution that performs or supports the capabilities identified in the definition	Generally accepted industry Enterprise Resource Planning

<b>Management Accounting</b>	Cost Estimate	The sum established by the agency/institution as available for the entire project, including the construction budget, acquisition costs, furnishings and equipment, compensation for professional services and all contingencies. The cost estimate is used to develop capital project budgets	Any IT solution that captures, generates, monitors, manages, or is used for cost estimating as identified in the definition	SAAM Manual
<b>Management Accounting</b>	Cost Management and Control	Management of cost related activities achieved by collecting, analyzing, evaluating, and reporting cost information used for budgeting, estimating, forecasting, and monitoring costs. Cost control typically includes (1) investigative procedures to detect variance of actual costs from budgeted costs, (2) diagnostic procedures to ascertain the cause(s) of variance, and (3) corrective procedures to effect realignment between actual and budgeted costs	Any IT solution that captures, generates, monitors, process or otherwise manages, or is used for cost management and control as identified in the definition	Generally accepted industry Enterprise Resource Planning

<b>Management Accounting</b>	Cost Accounting/ Activity Based Costing (ABC)	A method of accounting which provides for accumulating and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operation, or to complete a unit of work or a specific job. Cost accounting approach concerned with matching costs with activities (called cost drivers) that cause those costs. It is a more sophisticated kind of absorption-costing and replaces labor based costing system. ABC states that (1) products consume activities, (2) it is the activities (and not the products) that consume resources, (3) activities are the cost drivers, and (4) that activities are not necessarily based on the volume of production. Instead of allocating costs to cost centers (such as service delivery, marketing, finance), ABC allocates direct and indirect costs to activities such as processing an order, attending to a customer complaint, or delivering a service	Any IT solution that captures, generates, monitors, process or otherwise used to support the capabilities identified in the definition	SAAM Manual
<b>Budgeting</b>		A plan of financial operation embodying an estimate of proposed expenditures for a given period of time or purpose and the proposed means of financing them.	Any IT solution used to generate, track, estimate or otherwise maintain budgets, this includes but is not limited to budget development, budget management, budgetary control, and/or performance budgeting functions as identified in the definitions	SAAM Manual
<b>Budgeting</b>	Budgetary Control	The control or management of a governmental unit in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.	See budgeting	SAAM Manual

<b>Budgeting</b>	Performance Budgeting	The act of considering and making funding choices based on desired outcomes. Performance budgeting focuses on the results to be gained through investment decisions.	See budgeting	SAAM Manual
<b>Human Resources</b>		The division of an agency or institution focused on activities relating to employees. Activities include recruiting and hiring new employees, growth and development of current employees, employee benefits, workforce planning, and employee retention	Any IT solution that supports the capabilities listed in the definition and/or requires integration with enterprise systems such as HRMS	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	Appointment Change	An action that indicates a change to an employee's appointment within the agency or movement of an employee between different agencies without a break in service - may include but not limited to movement to another position, adjustment of hours worked, changes from salaried to hourly, or reallocation of a position	Any IT solution that supports the capabilities listed in the definition	<a href="#">HRMS Data Definitions Resource Guide</a>
<b>Human Resources</b>	Benefits Management	Advantage, privilege, right, or financial reimbursement (such as that made under an insurance policy, medical plan, or pension plan)	Any IT solution that supports the management of state employee benefits such as the capabilities listed in the definition	
<b>Human Resources</b>	Diversity Management	Understanding the relationship between individual attitudes, behaviors, and employment practices - includes equal employment opportunity to ensure equal access and opportunity to anyone who qualifies and affirmative action reporting and practices to create an inclusive work environment	Any IT solution that supports diversity management and the capabilities listed in the definition	<a href="#">OFM &gt; State Human Resources &gt; Diversity</a>

<b>Human Resources</b>	Grievance	A formal complaint filed by a union on behalf of an employee or group of employees alleging a violation, misapplication or misinterpretation of one or more terms of the parties' collective bargaining agreement. Note: Collective bargaining agreements vary and a particular agreement may define this term differently	Any IT solution that supports the capture, tracking and/or management of grievances such as those listed in the definition	OFM > State Human Resources > Labor Relations
<b>Human Resources</b>	Hiring	The process of onboarding a new employee into Washington state service	Any IT solution that supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	Job Application	A form submitted to a potential employer by a potential employee to collect basic information about the applicant such as employment history, education, training, and contact information	Any IT solution that supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	Job Classification	A method of identifying and defining job duties and responsibilities	Any IT solution that supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	Payroll	The administration of employee compensation and benefits on a scheduled basis through a centralized payment system	Any IT solution that supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning

<b>Human Resources</b>	Recruitment	The process of finding and hiring the best-qualified candidate (from within or outside of an organization) for a job opening in a timely and cost effective manner. The recruitment process includes analyzing the requirements of a job, attracting employees to that job, screening and selecting applicants, hiring, and integrating the new employee to the organization - recruitment measures include tracking time to hire/fill, candidate quality, and applicant satisfaction	Any IT solution that supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	HR Reporting, Business Intelligence, and HR Visual Analytics	Displaying information that conveys ideas and concepts to an audience in a format that is easily consumable. Standard reports have a fixed format and are parameter driven while ad hoc reports meet individual reporting needs by giving the user the ability to interact with the data to create their own report and /or n interactive, graphical display of data that provides analytical results and insight to help with problem solving and decision making	Any IT solution that supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	Retirement	Separation of an employee who meets the age and service requirements to receive retirement benefits and has filed an application for retirement with the Department of Retirement Systems - includes tracking and/or managing an employee's retirement eligibility status throughout the life cycle of an employee's career	Any IT solution that supports the capabilities listed in the definition	<a href="#">HRMS Data Definitions Resource Guide</a>
<b>Human Resources</b>	Separation / Termination	The voluntary or involuntary act of leaving Washington State service	Any IT solution that supports the capabilities listed in the definition	<a href="#">HRMS Data Definitions Resource Guide</a>

<b>Human Resources</b>	Strategic Workforce Planning	<p>Strategic workforce planning looks at system-wide issues and strategies to:</p> <ul style="list-style-type: none"> <li>· Support the organization’s strategic plan (e.g., reorganization and redeployment)</li> <li>· Address external workforce factors that affect the entire business (e.g., succession planning for retirement bubbles, or staff reduction planning for budget cuts).</li> <li>· Maintain organizational capacity (e.g., in-service training)</li> <li>· Mitigate risk exposure (e.g., safety planning and Equal Employment Opportunity training)</li> </ul>	Any IT solution that supports strategic workforce planning and the capabilities listed in the definition	<a href="#">OFM &gt; State Human Resources &gt; Workforce Data &amp; Planning &gt; Workforce Planning &gt; Levels of Workforce Planning</a>
<b>Human Resources</b>	Succession Planning	The specific staffing strategies designed to develop an internal pool for anticipated vacancies	Any IT solution that supports succession planning	<a href="#">OFM &gt; State Human Resources &gt; Workforce Data &amp; Planning &gt; Workforce Planning &gt; Introduction to Workforce Planning</a>
<b>Human Resources</b>	Telework/Flexible work	<p>Telework is the practice of working from home or other alternative locations closer to home through the use of technology which allows the employee to access normal work material (email, telephone, electronic documents, etc.). Telework may be scheduled or done on an ad hoc basis.</p> <p>Flexible work is an alternative schedule that allows full-time employees to eliminate at least one work day every two weeks by working longer hours during the remaining days, resulting in less commute trips (compressed workweek), or allows the employees some flexibility in starting and ending times outside the agency’s normal work hours (flextime) consistent with WAC 357-28-225</p>	Any IT solution that captures telework or flexible work	<a href="http://www.governor.wa.gov/sites/default/files/exe_order/eo_16-07.pdf">http://www.governor.wa.gov/sites/default/files/exe_order/eo_16-07.pdf</a>

<b>Human Resources</b>	Time and Attendance	The process of submitting, approving, and adjusting an employee's work hours and planned/unplanned leave hours	Any IT solution that captures and tracks state employee time and attendance and/or captures and tracks the time and attendance of individuals and organizations receiving benefits or providing services to benefit recipients and/or otherwise supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	Training/Development	Activities designed to develop employees' job-related knowledge and skills for present job assignments as well as future career development goals	Any IT solution that provides and/or supports state employee and/or general public training and/or otherwise supports the capabilities listed in the definition	<a href="#">WAC 357-01-330</a>
<b>Human Resources</b>	Travel Management	Activities associated with planning, preparing, and monitoring of business related travel for an organization's employees	Any IT solution that supports the management of employee travel	SAAM Manual
<b>Human Resources</b>	Wellness and Safety Information	Ensuring the safety and health of employees within the workplace	Any IT solution that supports the capabilities listed in the definition	Generally accepted industry Enterprise Resource Planning
<b>Human Resources</b>	Scheduling	The days and hours an employee is scheduled to work	Any IT solution that establishes, captures, tracks, manages, and/or maintains employee work schedules	Generally accepted industry Enterprise Resource Planning
<b>Enterprise Risk Management</b>		Enterprise Risk Management (ERM) is the discipline of managing risk throughout an agency. Processes include conducting a risk assessment, identifying root causes of identified risks, prioritizing the risks on an enterprise level, determining which risk treatments best address the root causes, and then monitoring the success of the risk treatments. Treatments can include: Transferring the risk, minimizing the likelihood and/or impact of a negative outcome, and eliminating the activity associated with the risk	Any IT solution that supports the capabilities listed in the definition	DES

<b>Grant Management</b>	Management of awards of financial assistance, including cooperative agreements, in the form of money, or property in lieu of money, to an eligible grantee. The term does not include technical assistance which provides services instead of money, or other forms of assistance such as revenue sharing, loans, loan guarantees, interest subsidies, insurance or direct appropriations. Also, the term does not include assistance, such as fellowship or other lump sum awards, which the grantee is not required to account for	Any IT solution that supports the capabilities listed in the definition	SAAM Manual	
<b>Procurement</b>	<p>The process of obtaining or buying goods and services consistent with RCW 39.26 with the intent to <i>Purchase</i>.</p> <p>Purchasing, renting, leasing, or otherwise acquiring any supplies or services; includes all functions that pertain to the acquisition, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration. The combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, storekeeping, salvage, and disposal operations</p>	Any IT solution that supports the capabilities listed in the definition	One Washington Procurement Workgroup , DES, and the National Institute of Governmental Purchasing (NIGP) Definitions of Procurement Terms)	
<b>Procurement</b>	Purchasing	The acquisition of goods or services, including the leasing or renting of goods	Any IT solution that supports the capabilities listed in the definition	SAAM Manual and RCW 39.26.010
<b>Procurement</b>	Contracting	Activities related to obtaining goods or services from sources, including the decision to contract, description of goods/services, solicitation of sources, contractor screening and selection, contract preparation, contract monitoring, auditing and post-contract follow-up	Any IT solution that supports the capabilities listed in the definition	SAAM Manual, DES, and One Washington Procurement Workgroup definition

<b>Procurement</b>	Vendor Management	The management of an entity selling a good or service to the State. Vendors include, but are not limited to, retail businesses, consultants, contractors, manufacturers, credit card companies. A vendor may be an individual, corporation, non-profit organization, federal government, or federal agency, local government or local agency, another state or another state agency, a Washington state agency, or Indian nation. For travel reimbursement purposes, a vendor may include an employee, a board member, or volunteer	Any IT solution that supports the capabilities listed in the definition	SAAM Manual
<b>Procurement</b>	Planning	Analysis and evaluation of the ways in which material requirements can be met using a life cycle management approach	Any IT solution that supports the capabilities listed in the definition	DES and 2008 NIGP Dictionary of Procurement Terms
<b>Procurement</b>	Inventory Management	Inventory costs represent a substantial portion of the total cost of ownership for many organizations. Proper inventory management requires an investment of time and resources. Carrying insufficient inventory may have adverse mission impacts or consequences. Carrying too much inventory ties up capital, is usually inefficient, requires extra storage space, and for items with a limited shelf life may lead to costly disposal actions	Any IT solution that supports the capabilities listed in the definition	DES
<b>Procurement</b>	Inventory Control	Supervision and management of the supply, storage, and accessibility of items held in inventory to ensure an adequate supply of available material without excessive oversupply, back orders or stock outages	Any IT solution that supports the capabilities listed in the definition	DES and 2008 NIGP Dictionary of Procurement Terms

**Performance  
Audit**

A systematic process of objectively obtaining and evaluating evidence regarding the performance of an organization, program, function, or activity. Evaluation is made in terms of its economy and efficiency of operations and effectiveness in achieving desired goals. The performance audit function provides an independent review of management's performance and the degree to which actual performance meets pre-stated goals

Any IT solution that supports the capabilities listed in the definition

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Last updated: 08/24/2021